

## Message Text

CONFIDENTIAL

PAGE 01 KUALA 03546 270914Z  
ACTION EB-08

INFO OCT-01 EA-10 ISO-00 AGRE-00 CIAE-00 COME-00  
INR-10 LAB-04 NSAE-00 SP-02 STR-07 TRSE-00 FRB-03  
OMB-01 L-03 PA-01 ICA-11 /061 W  
-----067143 271620Z /53

R 270536Z APR 78  
FM AMEMBASSY KUALA LUMPUR  
TO SECSTATE WASHDC 3808

C O N F I D E N T I A L KUALA LUMPUR 3546

E.O. 11652: XGDS-1  
TAGS: ETRD, MY  
SUBJ: TEXTILE AGREEMENT

REF : (A) STATE 69896, (B) KUALA LUMPUR 2339

1. EMBASSY HAS RECEIVED LETTER (TEXT GIVEN BELOW) FROM  
SABBARUDDIN CHIK, DIRECTOR OF INTERNATIONAL TRADE DIVISION OF  
MINISTRY OF TRADE AND INDUSTRY. (MTI). LETTER STATES THAT GOM  
PREPARED TO EXCHANGE LETTERS TO IMPLEMENT AGREEMENT AS IT WAS  
SIGNED IN WASHINGTON. THEY ARE NOT, HOWEVER, PREPARED TO SIGN  
AMENDED AGREEMENT WHICH WE SENT THEM BY LETTER ON JANUARY 26.  
REASON GIVEN IS THAT CABINET HAD ALREADY APPROVED OR BINAL  
TEXT AND AMENDMENTS GIVEN IN NEW APRA 19 CREATE DIFFICULTIES  
FOR GOM.

2. WHILE THESE REASONS MAY BE VALID, WE DO NOT BELIEVE THAT THEY  
FULLY EXPLAIN THIS ACTION BY MTI. WE HAVE LEAYCED THAT SABBARUDDIN'S  
(AND GOM'S) INITIAL PLEASURE AT AGREEMENT COOLED CONSIDERABLY  
WHEN THE AGREEMENT WAS CLOSELY SCRUTINIZED IN KUALA LUMPUR.  
ALTHOUGH WE HAVE NOT BEEN ABLE TO OBTAIN DETAILS, SOME GENERAL  
UNHAPPIMUSS HAS RESULTED AND SABBARUDDIN SEEMS TO HAVE WEAKENED  
HIS POSITION WITHIN THE BUREAUCRACY FOR THIS AND OTHER ALLEGED  
MISTAKES IN THE TRADE POLICY AREA. NO DOUBT THE COURSE HE  
SUGGESTS IS THE ONE PREFERRED AT THIS STAGE BY THE GOM. PLEASE  
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ADVISE.

3. TEXT OF LETTER IS AS FOLLOWS:

"WITH REFERENCE TO YOUR LETTER DATED 26 JANUARY, 1978  
REGARDING THE DRAFT TEXTILE AGREEMENT, I WISH TO MAKE CERTAIN  
OBSERVATIONS AND COMMENTS.

FIRSTLY THERE HAVE BEEN SOME MAJOR AMENDMENTS WHICH DO NOT SEEM TO APPEAR IN THE EARLIER TEXT WHICH WAS INITIALLED BY THE TWO DELEGATIONS IN WASHINGTON. THIS IS PARTICULARLY SO WITH REGARDS O THE ADDITION OF PARAGRAPH 19. BESIDES, THERE IS A DIFFERENCE IN THE CONVERSION FACTOR FOR CATEGORIES 445 AND 446. IN THE ORIGINAL DRAFT THE CONVERSION FACTOR USED WAS 14.88 SQ. YARDS TO A DOZEN FOR THE ABOVE ITEMS. BUT IN THE LATTER DRAFT THE CONVERSION FACTOR USED FOR THE TWO CATEGORIES IS 36.8 SQ. YARDS. BY ADOPTING THE NEW CONVERSION FACTOR WOULD MEAN A REDUCTION IN THE QUOTA LEVEL WHICH IS ALREADY LOW AND FURTHER COMPLICATE OUR QUOTA DISTRIBUTION.

FURTHERMORE, I WISH TO INFORM THAT THE AGREEMENT TEXT HAD GONE TO THE CABINET AND SINCE BEEN GIVEN THE APPROVAL IN ITS ORIGINAL FORM. IT IS THEREFORE, IMPROPER FOR FURTHER AGHER-ATIONS AND AMENDMENTS TO BE EFFECTED. ANY MAJOR AMENDMENTS WOULD HAVE TO BE APPROVED BY THE CABINET AND THIS WOULD FURTHER DELAY THE SIGNING OF THE SAID AGREEMENT. IN VIEW OF THE ABOVE, I WOULD CERTAINLY APPRECIATE IF YOU COULD AGREE TO THE ORIGINAL TEXT AND IN RESPECT OF THE OTHER MINOR AMENDMENTS WE HAVE NO OBJECTION.

WE ARE PREPARED TO SIGN THE AGREEMENT AND THIS COULD BE DONE BY MEANS OF AN EXCHANGE OF LETTERS."

MILLER  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXTILES, AGREEMENTS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 27 apr 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978KUALA03546  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** X1  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780180-0599  
**Format:** TEL  
**From:** KUALA LUMPUR  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1978/newtext/t19780411/aaaaaigk.tel  
**Line Count:** 94  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** ef3abda6-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 69896, 78 KUALA LUMPUR 2339  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 11 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2830864  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TEXTILE AGREEMENT  
**TAGS:** ETRD, MY  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/ef3abda6-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
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